

TRAFFORD COUNCIL

Report to: Planning and Development Management Committee
Date: 9 November 2017
Report for: Information
Report of: Head of Planning and Development

Report Title

Section 106 and CIL Update: April 2017 – September 2017

Summary

This report is to inform Planning and Development Management Committee about the latest set of monitoring data for S106 agreements and CIL notices.

Recommendation

That Planning and Development Management Committee note the contents of this report.

Contact person for access to background papers and further information:

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1.0 Introduction

- 1.1 The Community Infrastructure Levy (CIL) was created under the terms of the Planning Act 2008, and established a new system for collecting developer contributions, charged on a pounds (£) per square metre basis, to fund essential infrastructure. Trafford's Community Infrastructure Levy (CIL) was implemented on 07 July 2014.
- 1.2 Although the mechanism for securing contributions to deliver infrastructure to support growth has changed, there remain a number of existing signed Section 106 agreements (S106) that require on-going monitoring. Going forward, although the number of new legal agreements will be reduced, S106s will continue to be used to secure site-specific mitigation and the provision of affordable housing.
- 1.3 This report details S106 and CIL activities over the period 01 April 2017 to 30 September 2017, together with contextual and historic information.

2.0 S106 update

2.1 S106 legal agreements involve lengthy negotiations between planning case officers and developers, often involving complex viability issues or land transfers, on top of the more usual planning considerations such as heritage, highways or amenity issues. Contributions have historically been secured to deliver a variety of infrastructure, including:

- affordable housing
- highways and active travel
- public transport
- specific green infrastructure (Red Rose Forest)
- spatial green infrastructure (open space / outdoor sports)
- education facilities

2.2 The amount of S106 contributions received to date and the amounts spent or committed to schemes is summarised in Table 1 below. The '2017 year to date' figures for 2017 are a provisional position, and may be subject to small changes during the course of the financial year.

2.3 Overall contributions of around £25.1m have been received to date. Of this, £11.4m has been spent, and circa £9.8m is committed to schemes in the Capital Investment Programme, delivering the Metrolink expansion and the Turnmoss project. Work is ongoing to commit the remainder to appropriate infrastructure projects in line with the requirements of the associated legal agreements.

Table 1: S106 contributions received and committed to spend

	Open Space/ Outdoor Sports £000	Education £000	Red Rose Forest £000	Affordable Housing £000	Highways £000	Public Transport £000	Total £000
Amounts Received							
Pre 2012	2,698	0	359	1,224	2,622	3,878	10,781
2012/13	358	101	143	534	326	718	2,180
2013/14	407	24	40	0	1,059	374	1,904
2014/15	212	63	95	0	1,695	1,000	3,065
2015/16	197	231	271	284	130	413	1,526
2016/17	872	68	72	0	87	181	1,280
2017 to date	15	0	9	664	34	3,592	4,314
Total Received	4,759	487	989	2,706	5,953	10,156	25,050
Amounts Applied / Committed							
Applied	(3,102)	(226)	(350)	(984)	(4,810)	(1,900)	(11,372)
Committed - Capital Prog/ Metrolink Ext/ Turnmoss Improvements.	(460)	(248)	(59)	(245)	(1,043)	(7,765)	(9,820)
Balance Available	1,197	13	580	1,477	100	491	3,858

2.4 It should be noted that prior to February 2012, there was no requirement for contributions to be secured to support the provision of education facilities, this was

introduced with the adoption of a new Supplementary Planning Document on Planning Obligations at the time (SPD1).

- 2.5 SPD1 was further revised and adopted in July 2014 to support the introduction of CIL. SPD1 (2014). It provides greater clarity for when the use of S106 legal agreements will be appropriate to mitigate the negative impacts of development, as there should be no circumstances where a developer is paying CIL and S106 for the same infrastructure in relation to the same development
- 2.6 In addition to the figures set out in Table 1, there are a number of outstanding S106 agreements where trigger points have not yet been met; as of September 2017 (the reporting period) these amount to £24.6m. However, £10.7m of this amount is earmarked for the delivery of the Metrolink expansion. Caution is advised when considering these figures as there is no guarantee that developments which have planning permission will definitely come forward. However, these developments are continually monitored to make sure that as trigger points are met, appropriate action is taken to ensure that the provisions of the S106 are met.

3.0 Community Infrastructure Levy update

- 3.1 Between the introduction of Trafford's CIL on 07 July 2014 and 30 September 2017, CIL Liability Notices to the value of £3.9m have been raised for around 104 developments. CIL monies only become due after a development commences, so predictions about future income should be mindful of the fact that some planning consents never go on to be implemented.
- 3.2 The Council is now starting to see an increase in the amount of CIL monies coming in, as recently approved developments begin on site. Actual CIL monies received to date total £1.85m (£727.1K of which was received between 1 April 2017 and 30 September 2017) and a breakdown of what these receipts can be applied to is shown in Table 2 below. As anticipated, monies received are starting to become more meaningful as more CIL liable developments commence development.

Table 2: CIL monies received

	Total Monies Received	Admin Portion 5%	Local Infrastructure Portion 15%	Strategic Infrastructure Portion 80%
07-Jul-14 to 31-Mar-15	£5,060.00	£253.00	£759.00	£4,048.00
01-Apr-15 to 31-Mar-16	£297,568.23	£14,878.41	£43,570.76	£239,119.06
01-Apr-16 to 31-Mar-16	£822,950.78	£41,147.54	£123,332.46	£658,470.78
01-Apr-17 to 30-Sep-17	£727,145.18	£36,394.21	£108,443.64	£582,307.33
Total	£1,852,724.19	£92,673.16	£276,105.86	£1,483,945.17

- 3.3 As of September 2017, no CIL funds have been earmarked from the Local or Strategic Infrastructure Portions. However, between 1 April 2017 and 30 September 2017, the Council received £4,926.55 from development located within a 'Local Council' area i.e. a Parish/Town Council area. The development was located within the Partington Parish Council boundary and the Council is therefore required, in accordance with the CIL Regulations, to pass the local infrastructure portion (15%) of this CIL receipt (£738.98) to Partington Parish Council.
- 3.4 The £738.98 local infrastructure receipt has now been transferred to Partington Parish Council.
- 3.5 A 'Local Council' must use CIL receipts passed to it in order to support the development of the Local Council's area, or any part of that area, by funding: the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area. For each financial year when they have received local infrastructure funds, local council(s) must publish a financial monitoring report as detailed within the CIL Regulations. This Report must be published by the local council on its own website or on Charging Authority's website (in this case Trafford's) and a copy of the report must also be sent to Trafford Council.

4.0 Recommendation

- 4.1 That the Planning and Development Management Committee note the contents of this report.