

TRAFFORD COUNCIL

Report to: Planning and Development Management Committee
Date: 10 November 2016
Report for: Information
Report of: Head of Planning and Development

Report Title

Section 106 and CIL Update: April 2016 – September 2016

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 large 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 2016 to 30 September 2016, 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 '2016 year to date' figures for 2016 are a provisional position, and may be subject to small changes during the course of the financial year.

2.3 Overall contributions of around £19.7m have been received to date. Of this, £9.8m has been spent, and circa £1.6m is committed to schemes in the Capital Investment Programme. Of the balance available, approximately £3.6m has been earmarked to delivering the Metrolink expansion, and feasibility 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	2,699	0	359	1,224	2,621	3,878	10,781
2012/13	358	101	143	534	326	718	2,180
2013/14	407	22	40	0	1,059	374	1,903
2014/15	212	63	95	0	1,695	1,000	3,065
2015/16	197	231	277	284	132	495	1,617
2016 year to date	154	0	0	0	0	0	154
Total Received	4,027	418	912	2,042	5,835	6,465	19,700
Amounts Applied							
Less Already used	(2,957)	(167)	(359)	(984)	(3,545)	(1,804)	(9,814)
Less Committed	(221)	(195)	(35)	(108)	(542)	(532)	(1,633)
Balance Available	923	57	526	952	1,778	4,134	8,370

2.4 In addition to the monies shown above, a further £0.2m has also been received in respect of developer contributions paid in advance, but this can only be committed to capital projects once development commences.

- 2.5 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).
- 2.6 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
- 2.7 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 2016 (the reporting period) these amount to £30.4m. However, following the decision regarding Metrolink at the end of October, this figure amounts to £18.87m. 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 2016, CIL Liability Notices to the value of £2.6m have been raised for around 80 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 £720.3k, 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	£44,635.23	£238,054.58
01-Apr-16 to 30-Sep-16	£417,765.07	£20,888.25	£62,664.76	£334,212.05
Total	£720,393.30	£36,019.66	£108,058.99	£576,314.63

- 3.3 A CIL Protocol will be prepared to establish a process for allocating and spending CIL monies.

4.0 Recommendation

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