

## TRAFFORD COUNCIL

**Report to:** Planning and Development Management Committee  
**Date:** 11 May 2017  
**Report for:** Information  
**Report of:** Head of Planning and Development

### Report Title

**Section 106 and CIL Update: April 2016 – March 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 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 31 March 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 financial year end figures are based on the draft outturn position for 2016/17 and are a provisional position that may be subject to small changes.

2.3 Overall contributions of around £20.7m have been received to date. Of this, £9.8m has been spent, and circa £2.02m is committed to schemes in the Capital Investment Programme. Of the balance available, approximately £3.7m 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 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
<b>Amounts Received</b>							
Pre 2012	2,699	0	359	1,224	2,621	3,878	<b>10,781</b>
2012/13	358	101	143	534	326	718	<b>2,180</b>
2013/14	407	22	40	0	1,059	374	<b>1,902</b>
2014/15	212	63	95	0	1,695	1,000	<b>3,065</b>
2015/16	197	231	271	284	130	413	<b>1,527</b>
2016/17	872	68	72	0	87	181	<b>1,281</b>
<b>Total Received</b>	<b>4,745</b>	<b>485</b>	<b>980</b>	<b>2,042</b>	<b>5,920</b>	<b>6,564</b>	<b>20,736</b>
<b>Amounts Applied</b>							
Less Already used	(2,975)	(167)	(343)	(984)	(3,561)	(1,804)	<b>(9,832)</b>
Less Committed	(773)	(171)	(12)	(0)	(1,004)	(71)	<b>(2,019)</b>
<b>Balance Available</b>	<b>997</b>	<b>147</b>	<b>625</b>	<b>1058</b>	<b>1,355</b>	<b>4,689</b>	<b>8,883</b>

2.4 In addition to the monies shown above, a further £0.04m 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. The SPD 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 31 March 2017 (the reporting period) these amount to £29.5m. However following the decision regarding Metrolink at the end of March, this figure amounts to £18.0m. 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 ensure 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 31 March 2017, CIL Liability Notices to the value of £3.7m have been issued for around 100 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 £1.1m. As anticipated, monies received are starting to become more meaningful as more CIL liable developments commence development.

**Table 2: CIL monies received<sup>1</sup>**

	<b>Total Monies Received</b>	<b>Admin slice</b>	<b>Local slice</b>	<b>Strategic slice</b>
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-17	£806,659.50	£40,332.98	£120,888.77	£649,844.16
<b>Total</b>	<b>£1,109,287.77</b>	<b>£55,464.39</b>	<b>£165,218.53</b>	<b>£893,011.22</b>

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

<sup>1</sup> Note that where surcharges have been applied to payments in a financial year, the figures for the admin, local and strategic slices will not show 5%, 15% and 80% of the total monies received for each year. This is because monies received through surcharges are split between the admin and strategic slices as 5% and 95% respectively.

#### **4.0 Recommendation**

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