

<b>Report to:</b>	<b>Strategic Planning and Capital Monitoring Panel</b>
<b>Date:</b>	Monday, 11 March 2019
<b>Executive Director /Reporting Officer:</b>	Executive Member for Strategic Development & Highways / Jayne Traverse Director of Growth
<b>Subject:</b>	<b>Section 106 Agreements and Developer Contributions</b>
<b>Report Summary:</b>	The report summarises the current position with regard to receipts received from section 106 (s106) Agreements and Developer Contributions, new s106 Agreements made and any requests to draw down funding.
<b>Recommendations:</b>	For Panel to note the content of this report and recommend to Executive Cabinet that the s106 agreement and developer contributions approved allocations to be added to the Capital Programme and to approve the two requests as detailed in paragraph 2.10 of the report.
<b>Links to community strategy:</b>	Successfully implementing schemes funded through s106 Agreements support a number of Community Strategy priorities including supportive communities, a safe environment, a prosperous society, learning community and attractive borough.
<b>Policy Implications:</b>	Works completed through obligations contribute to mitigating the impact of developments in three policy areas contained within the Councils adopted Unitary Development Plan, namely policy H5 Open Space Provision, H6 Education and Community Facilities and T13 Transport Investment.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>It is important that regular monitoring is undertaken to ensure that monies are paid to the Council when due; as per the individual S106 agreements. The S106 contributions and Developer Contributions must be spent within the agreed timescales and on the purposes specified within the individual agreements. A summary position of the S106 contributions and developer contributions is included in the report.</p> <p>At the time of this report, there was £0.316m of unspent S106 funds for Community Services. There are currently drawdowns of £0.126m already approved and allocated to schemes and this report requests approval to drawdown a further £0.056m; this would bring the balance of unallocated funds to £0.134m for this area.</p> <p>Community Services have requested a drawdown of £0.034m of Developer Contributions; this would complete the allocation for this area as £0.112 has previously been approved and added to the Capital Programme.</p>
<b>Legal Implications: (Authorised by the Borough Solicitor)</b>	Developer Contributions secured by Planning Obligations need to satisfy the tests set out in the Community Infrastructure Levy Regulations 2010. Those referred to in the report do so.
<b>Risk Management:</b>	Developers will be entitled to claw back any contributions if they are not spent within timescales as per the agreements made.

Contributions may not be received on time or at all without adequate monitoring. Any specific conditions included with agreements must also be considered to minimise the risk of developer challenges.

In accordance with Audit recommendations additional resources are being secured which will include specific requirements to monitor and track Section 106 payments and expenditure.

**Access to Information:**

The background papers can be obtained from the author of the report, Martyn Leigh by



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## 1. INTRODUCTION

- 1.1 This report summarises the financial position at 31 January 2019 with regard to receipts for Section 106 (s106) Agreements and Developer Contributions and makes comments for each service area. This is followed by a section on new agreements made and requests to draw down funding.

## 2. AGREEMENTS UPDATE

- 2.1 The summary position statement at 31 January 2019 for s106 Agreements and Developer Contributions is as follows:

### Section 106 Agreement Funds:

Section 106		Community Services	Engineering Services	Services for Children & Young People	Other	Total
		£000	£000	£000	£000	£000
S106 - Applied - Budget Transferred to Service Area	Balance Transferred Previous Years (2006/07 - 2017/18)	817	1,632	1,250	16	3,715
	<b>Total</b>	<b>817</b>	<b>1,632</b>	<b>1,250</b>	<b>16</b>	<b>3,715</b>
S106 - Not yet earmarked	Brought Forward from 2017/18	(256)	(174)	(621)	(1)	(1,052)
	Received Periods 1 - 3	(47)		(54)		(101)
	Received Periods 4 - 6	(13)	13	(37)	(13)	(50)
	Received Periods 7 - 9					0
	Received Periods 10 - 12					0
	Transferred to Service Area					0
	<b>Total</b>	<b>(316)</b>	<b>(161)</b>	<b>(712)</b>	<b>(14)</b>	<b>(1,203)</b>
S106 - Not yet reached trigger point		<b>(653)</b>	<b>(289)</b>	<b>(595)</b>	<b>(12)</b>	<b>(1,549)</b>

- 2.2 The current position for s106 Agreements is £1,203,000 in credit as at 31 January 2019.

## Services for Children and Young People

- The balance of unallocated s106 funds stands at £712,000.

### 2.3 Community Services (Operations and greenspace)

- The balance of unallocated s106 funds stands at £316,000.

### 2.4 Engineering Services

- The balance of unallocated s106 funds stands at £161,000.

## Developer Contributions (Secured prior to Infrastructure Levy Regulations):

Developer Contributions	Green Space Contribution	Community Education Contribution	Integrated Transport Contribution	4% Administration Charge	Totals
	£000	£000	£000	£000	£000
Brought Forward from 2017/18	(146)	(69)	(15)	1	(229)
Received Periods 1 – 3	0	0	0	0	0
Received Periods 4 – 6	0	(4)	(2)	0	(6)
Received Periods 7 – 9	0	0	0	0	0
Received Periods 10 - 12	0	0	0	0	0
Transferred to Service Area	0	0	0	0	0
Approved at previous SCP for release at year end	112	0	0	0	112
<b>Total</b>	<b>(34)</b>	<b>(73)</b>	<b>(17)</b>	<b>1</b>	<b>(123)</b>

2.5 The current position for Developer Contributions as at 31 January 2019 was £229,000 in credit, plus £6,000 received, less approved allocations of £112,000, leaving a balance of £123,000.

### 2.6 Services for Children and Young People.

- The balance of available contributions stands at £73,000.

### 2.7 Community Services (Operations and greenspace)

- The balance of available contributions stands at £34,000.

### 2.8 Integrated Transport

- The balance of available contributions stands at £17,000.

### 2.9 New Section 106 Agreements:

1. 16/00177/OUT – Site at Eldencross Ltd., Park Bridge Road, Park Bridge, Ashton

Outline planning permission was granted for the demolition of an existing warehouse and the redevelopment of with a residential development of 27 dwelling houses, 10 live/work units, and a retail unit. It was considered by the Speakers Panel (Planning) at their meeting in June 2018 and approved subject to the applicant entering into a Section 106 agreement requiring the following financial contributions:

- Green Space Contribution – £1,049.57 per dwelling to upgrade a section of the Public Right of Way on route ASH 137, to protect the PRoW route from erosion, and resurfacing a section of footway and re-boarding the bridge over the River Medway along route ASH 139; and,
- Highways Contribution – (£26 per 1 bed unit, £435.25 per 2/3/4 bed units – applicable to both dwelling house and live/work units) towards improved links between National Cycle Network route no. 626 and Oldham Road, to complement works already completed under the Local Sustainable Transport Fund.

The decision was issued on 4 February 2019 following the completion of the S106.

(Until a 'Reserved Matters' application is approved there will be no certainty until that time as to the total amounts due because of the unknown size and number of residential units. This is because the outline permission sought approval of the principle of development (with means of access) only).

## 2. 18/00188/FUL - Littlemoss High School for Boys, Cryer Street, Droylsden

The planning application proposed the construction of a new secondary free school with associated sports facilities, external landscaping, car parking and access facilities. It was considered by the Speakers Panel (Planning) at their meeting in October 2018 and approved subject to the applicant entering into a Section 106 agreement requiring the following financial contributions:

- Highways Contributions – The sum of £79,450 to be used as follows:
  - £60,000 towards the installation of a puffin crossing across Lumb Lane, adjacent to the junction with Cryer Street;
  - £5,250 towards the revalidation of the software used to manage the signalling at the Manchester Road / Market Street junction;
  - £9,200 towards the revalidation of the system to control the lighting at the Oldham Road / Wilshaw Lane junction;
  - £5,000 towards the installation of a CCTV camera to monitor flows at the Manchester Road / Ashton Road / Market Street junction.

The decision was issued on 8<sup>th</sup> November 2018 following the completion of the S106.

## 3. 17/01034/FUL – Edge Lane, Droylsden

The planning application proposed the erection of 116 dwellings with associated works including car parking, access road and landscaping. It was considered by the Speakers Panel (Planning) at their meeting in December 2018 and approved subject to the applicant entering into a Section 106 agreement requiring the following financial contributions:

- Green Space Contribution - £199,237.42 to be used for:

- £104,000 towards recreation improvements at Sunny Bank Park, including playground and pitch improvements;
- £51,940 towards improvement to Copparas Fields including improvements to footpaths, signage and new furniture; and,
- £43,297.42 towards play improvements at Floral Gardens.
- Education Contribution - £85,456.10 to be used toward the cost of extending Aldwyn Primary School.
- Highways Contribution - £65,306.48 to be used to secure improvements to the junction of Fairfield Road and Edge Lane.

The above contributions are to be paid in the following manner:

- 25% before Commencement Date;
- 25% within 14 days on completion of the 58<sup>th</sup> dwelling; and,
- 50% within 14 days of completion of the 108<sup>th</sup> dwelling.

The decision was issued on 23 January 2019 following the completion of the S106.

#### 4. 17/00963/FUL – Frames Snooker Club, Unit 8 Mount Street, Hyde

The planning application proposed the demolition of the old snooker club building and the erection of 24no. apartments with associated road, parking and bin store. It was considered by the Speakers Panel (Planning) at their meeting in July 2018 and approved subject to the applicant entering into a Section 106 agreement requiring the following financial contributions:

- Green Space Contribution – £9,574.44 towards a scheme for the enhancement of the play area at Millennium Green, Hyde.
- Highways Contribution - £18,447.47 towards improvements to the traffic signalling in Hyde Town Centre.

The decision was issued on 18<sup>th</sup> December 2018 following the completion of the S106.

#### 5. 17/00949/OUT – Unit 14, Glover Centre, Egmont Street, Mossley

The outline planning application proposed the demolition of the existing industrial property and the subsequent construction of 8 townhouses and a single apartment block containing 6no. apartments. It was considered by the Speakers Panel (Planning) at their meeting in May 2018 and approved subject to the applicant entering into a Section 106 agreement requiring the following financial contributions:

- Green Space Contribution – £8,845.79 for improvements to the play equipment at Egmont Street Playing Fields, Mossley.
- Highway Contribution - £2,635.97 to be used for improving pedestrian connectivity along Manchester Road, Mossley.

The decision was issued on 24 September 2018 following the completion of the S106.

### **Requests to draw down funding**

2.10 The following requests have been made for draw down funding:

## Developer Contributions

- The Greenspace Development Manager, is seeking approval to for a drawdown of £34,000 for continuing the highway tree planting programme as well as for the planting of whips and standards on greenspace sites. Trees will be planted right across Tameside and will contribute to the Green Summit pledge of planting 3,500 trees.

## Section 106

- **13/00296/OUT – Land at Mackeson Road, Ashton**

This outline planning application (with all matters reserved) proposed residential development of the site at Ashton Foods Ltd., Mackeson Road, Ashton. It was approved, with conditions, on 1 July 2013 subject to a Section 106 agreement requiring an Education Contribution and Green Space Contribution based on a formula dependent upon the size and number of dwellings put forward at Reserved Matters stage.

A Reserved Matters application (14/00119/REM) subsequently proposed a residential development of 86no. dwellings comprising 18 two-bed, 58 three-bed and 10 four-bed units. This was approved, with conditions, on 18 June 2014.

Based on the formulaic approach to contributions, the required contributions were as follows:

- Education Contribution: £79,748.68; and,
- Green Space Contribution: £56,600.

The Greenspace Development Manager, is seeking approval of a drawn down of all the Green Space Contribution to be used be used for green space infrastructure across the borough including improving planters within town centres, planting around War Memorials and cleaning of War Memorials.

## **3. RECOMMENDATION**

- 3.1 To note the contents of this report.