Report Title:	Annual Report: Section 106 Agreements 2025/26
Purpose of Report:	To inform Elected Members, Town / Community Councils and the public about the progress on Section 106 (Planning Obligation) matters that have arisen in the last financial year (1st April 2025 – 31st March 2026).
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Executive Summary:

- This report seeks to update Elected Members, Town and Community Councils and the public on the Section 106 matters in the Vale of Glamorgan.
- In the 12 months between 1st April 2025 and 31st March 2026, a total of 9 legal agreements have been signed associated with planning permissions. The value of the financial contributions referred to in these legal agreements totals £2,171,466.86.
- As of 31st March 2026, the Council had £16,327,104.34 in the main Section 106 account. The majority of these contributions have been committed to schemes within the Vale of Glamorgan, as agreed with elected Members, Town / Community Councils and Service Areas, or are pending further consultation. In addition, £378,037.43 was held for on-going maintenance costs.
- The Council received financial contributions totalling £479,309.63 between 1st April 2025 and 31st March 2026.
- £1,957,667.23 was spent on schemes during 2025/26, with Section 106 contributions supporting the provision of new affordable homes, enhancements to public transport, walking and cycling networks, new school places, public open space enhancements and new public art.

1. Background

1.1 The Council has the power to enter into legal agreements with developers under Section 106 of the Town and Country Planning Act 1990, to require developers to provide works, services or financial contributions to mitigate the impacts that arise as a consequence of the new development.

1.2 The Council's policies on affordable housing and planning obligations are set out in the Vale of Glamorgan's adopted Local Development Plan (LDP) (2011-2026) and the adopted Affordable Housing and Planning Obligations Supplementary Planning Guidance documents (SPGs).

1.3 LDP Policy MD4 sets out the over-arching policy for requesting community infrastructure and planning obligations, where appropriate and having regard to development viability. The Planning Obligations SPG provides further clarification of where, what, when and how planning obligations will be sought, in order to assist the Council in creating sustainable communities that provide social, economic, and environmental benefits.

1.4 To ensure LDPs are kept up to date, local planning authorities are required to review their Plan at least every 4 years from the date of adoption. The Council is currently preparing a new Local Development Plan to replace the existing adopted LDP. The new Plan will be called the Replacement Local Development Plan (RLDP) and will cover the period 2021 – 2036.

1.5 A Review Report was approved by Welsh Government in May 2022 which considered the effectiveness of the adopted LDP and confirmed the revision procedure to be followed in preparing the RLDP. The report confirmed that the LDP policies in respect of affordable housing and infrastructure are working effectively and securing appropriate mitigation. The Review Report concluded that the LDP review shall provide the opportunity for the Council to undertake a review of development viability to ensure the most appropriate policy approach is taken by the Council to maximise affordable housing delivery, in addition to community infrastructure and facilities, and to consider any potential new policies in respect of green infrastructure and climate change.

1.6 Following approval by Full Council in January 2026, a public consultation on the Deposit RLDP was held between 28th January and 11th March 2026. The Council is currently considering the representations made during the consultation period and a Consultation Report will be considered by Full Council later in the year. Subject to approval, the RLDP will then be submitted to Welsh Government and PEDW for Independent Examination. It is anticipated that Hearing Sessions will be held in Spring / Summer 2027 with adoption later in 2027.

1.7 This report summarises the Council's progress on negotiating, monitoring and implementing planning obligations through Section 106 agreements, for the last financial year.

2. Key Issues for Consideration

Planning applications subject to Section 106 Agreements in 2025/26

2.1 In the 12 months between 1st April 2025 and 31st March 2026, a total of 9 legal agreements have been signed associated with planning permissions. The value of the financial contributions referred to in these legal agreements totals £2,171,466.86. A number of these legal agreements also include in kind obligations.

Implementation of Planning Obligations in 2025/26 – Financial Obligations

2.2 Many contributions are restricted by legal agreements to specific purposes or geographic areas and can only be spent once suitable projects have been identified and approved. At 31st March 2026, the Council had £16,327,104.34 in the main Section 106 account. The majority of these contributions have been committed to schemes within the Vale of Glamorgan, as agreed with Elected Members, Town / Community Councils and Service Areas, or are pending further consultation. In addition, £378,037.43 was held for on-going maintenance costs. The overall total in the Section 106 account was £16,705,141.77.

2.3 The Council received financial contributions of £479,309.63 between 1st April 2025 and 31st March 2026. Large instalments were received from the new affordable housing development at the former railway sidings, Ffordd y Mileniwm, Barry.

2.4 A summary of income and spend on each planning obligation between 1st April 2025 and 31st March 2026 is attached at Appendix B.

2.5 £1,957,667.23 was spent on schemes during 2025/26, with Section 106 contributions fully (or partially) supporting the delivery of new affordable homes, enhancements to public transport, walking and cycling networks, new school places, public open space enhancements and new public art. It should be noted that for some schemes, alternative grants such as the Local Transport Fund, Active Travel Fund and Social Housing Grant have been used to support schemes and to enhance the use of Section 106 funding.

2.6 A summary list is provided below and a selection of photographs of schemes can be found in Appendix C.

Public Open Space:

The Council has used Section 106 contributions to provide / enhance public open spaces as follows:

- New community space at Murchfield, Dinas Powys including a new basketball / netball court, new seating incorporating exercise features, additional tree planting and shrubs (public art / public open space scheme)
- Restoration of existing pond at Lower Gladstone Gardens, Barry
- Enhancements at Wenvoe recreation ground
- Enhancements at Sully Linear Park
- New skatepark at Bearfield, Cowbridge
- Upgraded Scansis pitch at Bearfield, Cowbridge

Sustainable Transport:
The Council has used Section 106 contributions to provide / enhance sustainable transport provision as follows:

- New toucan crossing on Ham Lane East, Llantwit Major
- New street lighting on Cross Inn Lane, Cowbridge
- Lighting upgrade in Cattle Creep subway, Wenvoe
- Barry wayfinding project
- Additional cycle shelter at Y Bont Faen Primary School, Cowbridge
- New benches in St. Nicholas, Sully and Wenvoe
- Pedestrian improvements on Buttrills Road, Barry
- Pedestrian improvements on Borough Close, Cowbridge
- New bus shelters on Plas Esyllt, Dinas Powys
- New bus shelter on St. Brides Way, Barry
- New street lighting on Subway Road, Barry and new lighting in tunnel.

Educational Facilities:
Section 106 funding is contributing towards several Sustainable Communities for Learning projects. An update is provided below:

- Ysgol Y Deri Expansion (Llyn Derw) – New school development project for up to 150 pupil places. Works have been completed and the new facility will be operating from September 2026.
- St. Richard Gwyn Roman Catholic Comprehensive School redevelopment project - New school building to provide 1050 pupil capacity plus 60 place Specialist Resource Base. Planning permission was granted in April 2024. Main contractor appointed. Works commenced on site in August 2025 and are proceeding well. Handover of Phase 1 (building) is planned for December 2027 and handover of Phase 2 (demolition and external areas) is October 2028.
- Ysgol Iolo Morganwg – New school development for Welsh medium provision in north west Cowbridge for 420 pupil places and 96 part-time nursery places. Main contractor appointed for delivery of stage two contract and works commenced on site in May 2026. A turf cutting event took place in July 2026 with the Welsh Education Minister. Handover is planned for July 2027.

Outside of the Sustainable Communities for Learning rolling programme, Section 106 funding has been used towards enhancements at the following schools:

- St. Cyres School – Physical and Medical Resource (PMED) Base
- Wick and Marcross CIW Primary School – extension
- Ysgol Dewi Sant, Llantwit Major – new external canopies

In addition, Section 106 funding has been committed to the following new schemes:

- St. Athan Primary School – new external canopy to enhance outdoor learning space and new outdoor play areas
- Dinas Powys Junior School – new external canopy
- Sully Primary School – enhancements to existing school

Community Facilities
The Council has used Section 106 contributions to provide / enhance community facilities as follows:

- New accessible toilet facilities at St. Athan Community Hub and Library
- New storage facilities, washroom enhancements and re-siting of defibrillator at The Gathering Place, St. Athan
- Internal improvements at Glyndwr Hall, Penarth
- New external signage at Dinas Powys Library and Activity Centre
- New bench in St. Athan
- New junior bike rack at Celtic Way Park, Rhoose

Public Art
Section 106 public art contributions have been used to provide the following public art projects in 2025/26. Collaborative working has played a key role in delivery.

- New artist designed basketball / netball court and artist designed community seating at Murchfield Community Space, Dinas Powys (public art / public open space scheme)
- Artist designed totems at St. Nicholas Primary School
- New public art works at Clare Gardens, Cowbridge
- New public art sculpture incorporating seating and planting together with separate artist designed seating installed within public open spaces at Gwel Yr Ynys, Sully.

Art workshops have also been held at Art Central Gallery in Barry.

Implementation of Planning Obligations in 2025/26 – 'In Kind' Obligations

2.7 In addition to financial contributions, the Council has also worked with developers to deliver 'in kind' obligations on development sites. For example, 19 affordable housing units completed/handed over during this financial year were secured via Section 106 agreements.

Section 106 Grant funding - Update

2.8 Several Section 106 grants have been issued to Community Groups who are providing invaluable community facilities and services.

2.9 In 2025/26, Section 106 contributions to support several applications have progressed, including enhancements at the following community facilities:

- The Gathering Place, St. Athan
- St. Athan Community Hub and Library
- Glyndwr Hall, Penarth
- Dinas Powys Library and Activity Centre

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

3.1 Long Term - Section 106 contributions seek to ensure that sustainable communities are developed within the Vale of Glamorgan, providing equal opportunities for living, learning, working and socialising for all.

3.2 Prevention - The use of contributions to increase the number of sustainable, affordable homes delivered within the Vale of Glamorgan will prevent homelessness and provide decent homes and safe communities.

3.3 Integration - The delivery of planning obligations seeks to ensure that new communities integrate with existing communities

3.4 Collaboration - The Council works collaboratively with Elected Members, Town / Community Councils, internal departments and external organisations such as Registered Social Landlords to deliver schemes using Section 106 contributions. Placemaking Plans are also helping to inform the need for further investment in Barry, Cowbridge, Llantwit Major and Penarth.

3.5 Involvement - Multiple internal departments and external organisations work together to deliver schemes using Section 106 contributions in a holistic way.

4. Climate Change and Nature Implications

4.1 The adopted Local Development Plan (LDP) and supporting SPGs provide the local planning policy framework for delivering sustainable development.

4.2 Planning obligations are used to mitigate and secure enhancements as a result of new developments. Section 106 agreements can secure investment in environmental and sustainable transport measures.

4.3 The Council uses Section 106 contributions where appropriate to enhance biodiversity within public open spaces by planting new wild-flowers, bulbs and trees.

4.4 Section 106 contributions have also previously financially supported the delivery of Wales' first net-zero carbon primary school (in operation) – South Point Primary School.

4.5 The RLDP will enable the Council to consider any potential new policies in respect of planning obligations, such as green infrastructure and climate change.

5. Resources and Legal Considerations

Financial

5.1 Financial contributions are secured via Section 106 Agreements. A Section 106 agreement is a legally binding agreement between a land owner, developer and the Council. Financial contributions have a positive impact on many of the Council's functions including education, community facilities, open spaces, highways and public transport. Financial contributions can also be used as match-funding to lever in additional funds, such as the Council's Sustainable Communities for Learning Rolling Programme.

Employment

5.2 There are no staffing issues.

Legal (Including Equalities)

5.3 Section 106 of the Town and Country Planning Act 1990, as amended by Section 12 of the Planning and Compensation Act (1991) and the Community Infrastructure Levy Regulations 2010 (as amended), provides the legislative framework for planning obligations. The Council has acted in accordance with this legislation when securing these contributions.

5.4 The Well-being of Future Generations Act has put in place that we must work towards achieving a more equal Wales of cohesive communities. The delivery of affordable housing and planning obligations will ensure that the Council is responding to this duty. Public art projects also enhance the built environment and contribute towards the cultural well-being of Wales.

6. Background Papers

Town and Country Planning Act 1990

The Community Infrastructure Levy Regulations 2010

The Vale of Glamorgan adopted Local Development Plan (2011-2026)

Vale of Glamorgan Council's Local Development Plan - Review Report (May 2022)

Supplementary Planning Guidance 'Affordable Housing'

Supplementary Planning Guidance 'Planning Obligations'

Supplementary Planning Guidance 'Public Art in New Development'

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg