

Meeting of:	Cabinet
Date of Meeting:	Monday, 15 July 2019
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Annual Report: Section 106 Agreements 2018/19
Purpose of Report:	To inform Cabinet about the progress on Section 106 (Planning Obligation) matters that have arisen in the last financial year (April 2018 - March 2019).
Report Owner:	Cabinet Member for Legal, Regulatory and Planning Services
Responsible Officer:	Rob Thomas, Managing Director
Elected Member and Officer Consultation:	Individual ward members have not been consulted as the report relates to the whole Vale. Head of Regeneration and Planning Operational Manager for Planning and Building Control Senior Planner (S106) Finance Support Manager – Accountancy Senior Lawyer All S106 Service Areas (Appendix D)
Policy Framework:	This report is a matter for Executive decision by Cabinet.
Executive Summary:	<ul style="list-style-type: none"> • This report seeks to update Cabinet on the Section 106 matters in the Vale of Glamorgan. • In the 12 months between 1st April 2018 and 31st March 2019, a total of 26 legal agreements have been signed associated with planning permissions. The value of the financial contributions in these legal agreements totals £3,538,708. • As of 31st March 2019, the Council had £21,410,951.58 in the account. The majority of these contributions have been committed to schemes within the Vale of Glamorgan, as agreed with Elected Members and Service Areas, or are pending further consultation. In addition, £618,703.68 was held for on-going maintenance costs. • The Council received financial contributions of £9,840,639.92 between April 2018 and March 2019.

- £2,226,160.50 was spent on schemes during 2018/19, with Section 106 contributions supporting enhancements to public transport, walking and cycling networks, new school places and open space and public art enhancements.

Recommendations

1. That Cabinet note the progress made on Section 106 matters between April 2018 and March 2019.
2. That this report be referred to Scrutiny Committee (Environment and Regeneration), Community Liaison Committee, all Councillors and the Clerks of all Town and Community Councils for information.

Reasons for Recommendations

1. To inform Cabinet of the progress made on Section 106 matters between April 2018 and March 2019.
2. To inform all Members and Town and Community Councillors of the progress made on Section 106 matters between April 2018 and March 2019.

1. Background

- 1.1 Cabinet will be aware that 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 Local Development Plan (LDP) (2011-2026) and the adopted Affordable Housing and Planning Obligations Supplementary Planning Guidance documents (SPGs).
- 1.3 LDP Policy MG4 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 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 2018/19

- 2.1 In the 12 months between 1st April 2018 and 31st March 2019, a total of 26 legal agreements have been signed associated with planning permissions (refer to Appendix A). The value of the financial contributions in these legal agreements totals £3,538,708.
- 2.2 The financial contributions secured through these legal agreements will be used to provide or enhance facilities off site, such as sustainable transport services

and infrastructure, public open space, community facilities, public art and educational facilities.

- 2.3** The planning obligation requirements secured this year have also included 'in-kind' obligations such as the provision of on-site affordable housing, on-site public open space and public art.
- 2.4** It is acknowledged that the value of contributions secured this year is lower than previous years (2017/18 = £8,109,968; 2016/17 = £9,794,952.16; 2015/16 = £8,029,190), however, this is most likely due to the capacity of major house builders who have a number of large developments under construction in the Vale of Glamorgan which have been approved in previous financial years.
- 2.5** A number of the agreements signed this year have been Deeds of Variation to existing Section 106 Agreements. These Deeds of Variations have enabled Registered Social Landlords to amend the "chargee" provisions in the affordable housing schedule, to allow them to seek more generous terms on their re-financing.

Implementation of Planning Obligations in 2018/19 - Financial Obligations

- 2.6** As of 31st March 2019, the Council had £21,410,951.58 in the relevant account. The majority of these contributions have been committed to schemes within the Vale of Glamorgan, as agreed with Elected Members and Service Areas, or are pending further consultation. In addition, £618,703.68 was held for on-going maintenance costs for public open space etc., equalling a total of £22,029,655.26.
- 2.7** The Council received financial contributions of £9,840,639.92 between April 2018 and March 2019 (of which £2,501,505.50 was invoiced in 2017/18 and paid in 2019/20). In particular, large contributions were received from the following developments:
- Former ITV Studios, Culverhouse Cross - Bellway Homes;
 - Former St. Cyres Lower School, Murch Road, Dinas Powys - David Wilson Homes;
 - Land at Cardiff Road/Cross Common Road, Dinas Powys - Edenstone Homes;
 - Caerleon Road - Kier Living;
 - Land to the East of St. Nicholas - Redrow;
 - Land at Court Close, Aberthin - Edenstone Homes.
- 2.8** A summary of income and spend on each planning obligation between April 2018 and March 2019 is attached at Appendix B.
- 2.9** £2,226,160.50 was spent on schemes during 2018/19, with Section 106 contributions fully (or partially) supporting enhancements to public transport, walking and cycling networks, new school places and open space enhancements.
- 2.10** A summary list is provided below and a selection of photographs of schemes can be found in Appendix C:

Affordable housing:

- Contribution towards affordable housing scheme at Brecon Court
- Contribution towards purchasing a home in Sully

Public Open Space

- Upgrading the multi-use games area and play area at Paget Road, Penarth;
- Upgrading the play area and installing a multi-use games area at Lougher Place, St. Athan;
- Upgrading the play area at Fferm Goch, Llangan (incorporating Public Art);
- Upgrading the play area at Dochdwy Road, Llandough;
- Upgrading the play area at Ceri Road, Rhoose;
- Enhancements to the Celtic Way tennis courts, Rhoose;
- Upgrading the play area at Batts Field, Barry;
- Provision of an Outdoor Learning Area for Oakfield Primary and Ysgol Gwaun Y Nant.

Feasibility and design work has also been undertaken for the following open spaces: Cogan Skate Park, Murchfield Play Area, The Grange Play Area, the play area at Twyn Yr Odyn, Central Park, Caerleon Road and Lewis Road playing fields (King George V Playing Fields).

Sustainable Transport

- Pedestrian and cyclist improvements between St. Joseph's Primary School and Ash Path;
- Improvements to walking and cycling infrastructure along Porthkerry Road, Rhoose (Phase 1);
- Improvements to footways throughout the Main Road in Ogmores by Sea;
- Pedestrian access improvements at Cogan Primary School;
- Provision of a grant to East Vale Community Transport to purchase a new mini-bus to provide community transport;

Initial feasibility and design has also been undertaken for schemes in the following areas: Windsor Road/Plassey Street, Penarth; Wick and Rhoose.

Educational Facilities:

- Project under construction for new nursery at St. Joseph's RC Primary School and Education Intervention Base Unit;
- Project under construction for a new nursery at Wick Primary School;
- Consultation on multiple 21st Century Band B Projects, including the proposal to reconfigure primary education in the Western Vale; expand Ysgol Sant Baruc and transfer to Barry Waterfront; the proposal to expand and re-build St David's Church in Wales Primary School; and the proposal to expand and re-build a new school at St Nicholas Church in Wales Primary School.

Community Facilities:

- A contribution towards the extension at Ystradowen Village Hall;
- A contribution towards enhancements at Wick Village Hall;
- A contribution towards enhancements to Glyndwr Hall;
- Design and feasibility is being undertaken for the Creatorspace at Penarth Library.

Consultation has also been undertaken in Penarth in respect of Belle Vue Pavilion and Dinas Powys more generally regarding community facilities.

- 2.11** It is acknowledged that the amount the Council has received in the last 3 financial years is significant, against the relatively low expenditure. However, it should be noted that a large portion of the Section 106 account is monies allocated to Affordable Housing and Education, where there are schemes in place to spend significant amounts as part of strategic schemes, such as the House Building Programme and the Council's 21st Century School Investment Programme.

Implementation of Planning Obligations in 2018/19 – ‘In Kind’ Obligations

- 2.12** In addition to financial contributions, the Council has also worked with developers to deliver ‘in kind’ obligations on development sites. For example, 104 new build affordable housing units were delivered in 2018/19 via Section 106 Agreements.

Strong Communities Grant Fund - Update

- 2.13** The Strong Communities Grant Fund continues to provide a successful platform for Community Groups, the Voluntary Sector, and Town and Community Councils to apply for grant funding to assist with projects across the Vale of Glamorgan. It also provides another mechanism to spend Section 106 contributions.
- 2.14** In 2018/19, Members granted approval for Section 106 contributions to support numerous Strong Communities Grant Fund applications, including:
- Wild About Nature, Dinas Powys - £1,500 towards equipment and apparatus;
 - Dinas Powys Cricket Club - £5,964 - towards new equipment and facilities for the cricket club;
 - Llantwit Tennis Club - £4,687.50 for new fencing at tennis courts;
 - Cowbridge Scout Club - £16,950 - to contribution towards internally upgrading the building so that the group can hire out the facility and generate revenue;
 - Dinas Powys Scout Club - £10,000 towards an extension to the current Scout Hall;
 - Barry Athletics and Football Club - £4,896 to pay for new flooring and to upgrade the hall so that organisations can hire out the space;
 - Vale adaptive cycling club –£17,520 - to provide 3 specialist adaptive cycles: Electric Duet Wheelchair Tandem Cycle, Electric Side X Side Tandem Cycle and Tomcat Special Needs Bullet Trike, to meet the needs of their beneficiaries who use Jenner Park to cycle.
- 2.15** In addition to the core fund, Members allocated £50,000 Section 106 Public Art monies from Penarth Heights, for groups specifically in Penarth to bid for. The Section 106 monies can therefore support schemes for “Public Art” on site; within the vicinity of Penarth Heights, or the wider area of Penarth.

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
- 3.4** Collaboration - The Council works collaboratively with Elected Members, internal departments and external organisations such as Registered Social Landlords to deliver schemes using Section 106 contributions.
- 3.5** Involvement - Multiple internal departments and external organisations work together to deliver schemes using Section 106 contributions in a holistic way.

4. Resources and Legal Considerations

Financial

- 4.1** 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 21st Century Schools Programme.

Employment

- 4.2** There will not be any staffing issues which arise as a result of the recommendations.

Legal (Including Equalities)

- 4.3** 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.
- 4.4** 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.

5. Background Papers

Town and Country Planning Act 1990

The Community Infrastructure Levy Regulations 2010

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

Supplementary Planning Guidance 'Affordable Housing'

Supplementary Planning Guidance 'Planning Obligations'